LNF & IHCIF Calculations Illustration

- YANKTON in Aberdeen area -

Given Data

- 4,090 = 1998 user count
- $2,980 = National average cost per person (not including wrap-around costs)
- 32% = % Expenditures on purchased services, 68% = % expenditures in-house
- 93.0% = Cost index for purchasing health care in this geographic area
- 115.5% = Size cost index for in-house costs due to small or large size
- 108.7% = Aberdeen area cost index for health status above or below average

Cost Adjustment Calculations

- $899 per person for purchased services = 32% * 93.0% * $2,980
- $2,326 per person for in-house services = 68% * 115.5% * $2,980
- $3,225 per person total = $899 (purchase) + $2,326 (in-house)
- **$3,506 per person total** adjusted for health status = $3,225 * 108.7%
- **$2,761 per person net cost** = $3,506 - $745 Other resources (M&M&PI)

Existing Expenditures (for 4,090 users excluding wrap-around and collections)

- $1,239 per person = local IHS allowance (excludes $ for wrap-around)
- $203 per person = expenditures elsewhere in Aberdeen area on behalf of area users
- $54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **$1,496 per person for OU users** = $1,239 + $203 + $54

LNF Calculation

- **42.7% Gross LNF** = $1,496 (expenditures) / $3,506 total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **54.2% Net LNF** = $1,496 / $2,761 net cost ($3,506 - $745 other)

IHCIF Allocation

- $655,386 = $ to raise LNF% from 54.2% to 60%
- $258,040,100 = aggregate $ to raise all locations to 60%
- 3.488% IHCIF fraction = $9,000,000 fund / $258,040,100 needed
- **$22,860 Allocation** = $655,386 needed for 60% * 3.488% IHCIF fraction

YANKTON Unmet Needs

- **$11,291,758 Net Total Need** = 4,090 users * $2,761 net cost
- **$5,172,089 Net Unmet Need** = (100% - 54.2% LNF) * 4,090 users * $2,761 net cost